

NETWORK PARTNERS (HOLDINGS) LIMITED**WRITTEN RESOLUTIONS TO RECLASSIFY AND SUBDIVIDE SHARES**
APPROVE SHARE ALLOTMENT AND ADOPT NEW ARTICLES OF
ASSOCIATION

We, the undersigned, being all the members of the above-named private company ("the Company"), for the time being entitled to receive notice of, attend and vote at General Meetings, hereby unanimously pass the following resolutions in accordance with sections 381A and 381B of the Companies Act 1985 and agree that the said resolution shall for all purposes be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held:

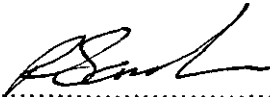
ORDINARY RESOLUTIONS

1. That 99,500 of the issued and unissued Ordinary Shares of £1.00 each in the capital of the Company be and are hereby reclassified as A Shares of £1.00 each in the capital of the Company each having the rights set out in the Articles of Association of the Company as amended by the special resolution numbered 4 below.
2. That 500 unissued Ordinary Shares of £1.00 each in the capital of the Company be and are hereby reclassified and subdivided into 2,000 B Shares of 25p each in the capital of the Company each having the rights set out in the Articles of Association of the Company as amended by the special resolution numbered 4 below.
3. In substitution for any previous authority the directors be and are generally hereby authorised to allot the new B Shares and any other unissued shares comprised in the capital of the Company at the date of the passing of this resolution at any time within five years from the date of the passing of this resolution to such persons in such proportions and on such terms and in such manner as the directors may decide.



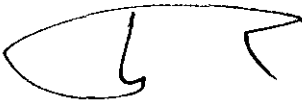
SPECIAL RESOLUTION

4. That the existing Articles of Association of the Company be and are hereby abrogated in full and that the attached new Articles of Association be adopted in their place.


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Ronald William Sandison

Date:8.11.....2004


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Kevin Cheston

Date:8.11.....2004


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Kathryn Sandison

Date:8.11.....2004

Date of notification to the auditors under S381(B)(1):

.....8.11.....2004

NETWORK PARTNERS (HOLDINGS) LIMITED

WRITTEN RESOLUTIONS TO RECLASSIFY AND SUBDIVIDE SHARES
APPROVE SHARE ALLOTMENT AND ADOPT NEW ARTICLES OF
ASSOCIATION

Pursuant to sections 381A and 381B of the Companies Act 1985 the following resolutions were duly passed by way of a written resolution dated the 8th November 2004:

1. That 99,500 of the issued and unissued Ordinary Shares of £1.00 each in the capital of the Company be and are hereby reclassified as A Shares of £1.00 each in the capital of the Company each having the rights set out in the Articles of Association of the Company as amended by the special resolution numbered 4 below.
2. That 500 unissued Ordinary Shares of £1.00 each in the capital of the Company be and are hereby reclassified and subdivided into 2,000 B Shares of 25p each in the capital of the Company each having the rights set out in the Articles of Association of the Company as amended by the special resolution numbered 4 below.
3. In substitution for any previous authority the directors be and are generally hereby authorised to allot the new B Shares and any other unissued shares comprised in the capital of the Company at the date of the passing of this resolution at any time within five years from the date of the passing of this resolution to such persons in such proportions and on such terms and in such manner as the directors may decide.
4. That the existing Articles of Association of the Company be and are hereby abrogated in full and that the attached new Articles of Association be adopted in their place.

.....
(Director) 

Date:

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

-of-



COMPANIES HOUSE

0310
16/11/04

NETWORK PARTNERS (HOLDINGS) LIMITED

(Adopted by Written Resolution passed on 8th November 2004)

1. PRELIMINARY

The regulations contained in Table A ("Table A") in the Schedule to the Companies (Table A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) and the Companies Act 1985 (Electronic Communications) Order 2000) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to 'regulations' are to regulations in Table A.

2. PRIVATE COMPANY

The Company is a private company within the meaning of Section 1(3) of the Companies Act 1985 and accordingly the Company shall not:-

- 2.1. offer to the public (whether for cash or otherwise) any shares in or debentures of the Company; or
- 2.2. allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. INTERPRETATION

- 3.1. In the first line of regulation 1 after the word “regulations” the words “and in any articles adopting in whole or in part the same” shall be inserted.
- 3.2. In these Articles:-
 - 3.2.1. unless the context otherwise requires the following expressions have the following meanings:-

“the Act”	the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
“A Shares”	the “A” ordinary shares of £1.00 each in the share capital of the Company from time to time
“Asset Sale”	the completion of any transaction whereby any person or persons or group of persons purchases the whole or substantially the whole of the business and assets of the Company whether pursuant to one transaction or a series of transactions

“B Shares”	the non-voting “B” ordinary shares of 25p each in the share capital of the Company from time to time
“Controlling Interest”	an interest (within the meaning of Part I of Schedule 13 to the Act) in any shares in the capital of the Company conferring in the aggregate more than 50 per cent of the total voting rights conferred by all the shares in the capital of the Company from time to time in issue and conferring the right to vote at all general meetings of the Company
“deemed transfer notice”	a transfer notice deemed to be given under any provision of these Articles or any Relevant Agreement
“Ordinary Shares”	the “A” Shares and the “B” Shares together
“paid up”	in relation to a share, that such share is paid up or credited as paid up
“Relevant Agreement”	any agreement relating (in whole or in part) to the management and/or affairs of the Company which is binding from time to time on the Company and the members and which (expressly or by implication) supplements

and/or prevails over any provisions of these Articles

“Representatives”

means, in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity

“Sale”

the completion of an agreement for purchase of all the A Shares and B Shares (to the extent not already owned by the purchaser or persons acting in concert or connected with the purchaser) or the acceptance of an offer as a result of which the offeror becomes entitled or bound to acquire the remainder of such shares in accordance with the Companies Act

“share”

means a share in the capital of the Company of whatever class

“transfer notice”

has the meaning attributed thereto in Article 13.1 and includes, where the context admits, a deemed transfer notice

“Winding Up”

any action is taken for or with a view to the winding-up of the Company or the presentation of a petition for the making of an administration order in respect of the Company or such an order is

made or the Company enters or seeks to enter into a composition or arrangement with its creditors whether in whole or in part or distress being levied on any material part of the assets of the Company

- 3.2.2. words or expressions the definitions of which are contained or referred to in the Act or a Relevant Agreement shall be construed as having the meaning thereby attributed to them but excluding any statutory modification or amendment thereof not in force on the date of adoption of these Articles
- 3.2.3. words importing the singular include the plural, words importing any gender include every gender, and words importing persons shall include bodies corporate and unincorporate and (in each case) vice versa
- 3.2.4. references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Article or references to sub-paragraphs of the paragraph in which the reference appears
- 3.2.5. in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned.

- 3.3. A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the regulations or these Articles.

4. **SHARE CAPITAL**

- 4.1. The authorised share capital of the Company at the date of adoption of these Articles is £100,000 divided into 99,500 "A" Shares of £1.00 each, and 2,000 "B" Shares of 25p each and be subject to the restrictions on transfer hereinafter provided, but in all other respects shall rank pari passu.

- 4.2. The Company shall not have power to issue share warrants to bearer.

5. **ISSUE OF NEW SHARES AND ALTERATION OF CAPITAL**

- 5.1 Subject to Section 80 of the Act, all unissued shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper provided that no shares shall be issued at a discount.
- 5.2 Section 89(1) and sub-section (1) to (6) of Section 90 of the Act shall not apply to the Company.
- 5.3 The directors are generally and unconditionally authorised for the purposes of section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of 5 years from the date of incorporation and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution.

6. **LIEN**

The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company. Furthermore, such lien shall extend to all amounts payable in respect of a share. The directors may resolve to exclude any share or any amount payable in respect of a share from the application of this Article. regulation 8 shall be modified accordingly.

7. **CALLS**

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of the words "and all expenses that may have been incurred by the Company by reason of non-payment of the call".

8. **DIVIDENDS**

A dividend or distribution may be declared and paid in respect of the shares of one particular class alone or in respect of all classes of shares in the capital of the Company.

9. **SALE OR ASSET SALE**

9.1. In the event of a Sale or an Asset Sale then the consideration (in cash or otherwise) paid pursuant to such Sale or Asset Sale ("Proceeds") shall be applied in the following manner and order of priority:

9.1.1. First, in paying to the members holding A Shares (in proportion to the numbers of A Shares held by them) the Proceeds up to the sum of £8,500,000;

- 9.1.2. Secondly, in paying to all the members (in proportion to the numbers of shares held by them) any Proceeds over the sum of £8,500,000 and less than the sum of £12,000,000 so that the members holding A Shares shall receive 72.25% of such sum (if any) and the members holding B Shares shall receive a sum equivalent to 27.75% of such sum multiplied by (the number of B Shares in issue at that time divided by 1110) subject always to a maximum of 27.75% of any Proceeds over the sum of £8,500,000 and less than the sum of £12,000,000;
- 9.1.3. Lastly, in paying to the members holding A Shares (in proportion to the numbers of shares held by them) any Proceeds over the sum of £12,000,000.

10. CAPITAL

- 10.1. In the event of a Winding Up or other return of capital the assets of the Company available for distribution to members remaining after payment of all other debts and liabilities of the Company and of the costs, charges and expenses of such Winding Up, shall be applied in accordance with the provisions of Articles 9.1.1 to 9.1.3 above

11. TRANSFER OF SHARES

- 11.1. No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles or any Relevant Agreement) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to Article 11.5 and Article 14):

11.1.1. as permitted by Article 12;

11.1.2 as permitted by a Relevant Agreement

11.1.3 pursuant to the acceptance a written offer as mentioned in Article 13.19

11.2. If a member at any time commits a breach of Article 11.1 in relation to any share he shall be deemed immediately prior to such breach to have given a transfer notice in respect of such share and must comply with the provisions of Article 13.

11.3. Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles or under any Relevant Agreement and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 13 shall apply accordingly.

11.4. A deemed transfer notice shall be deemed not to contain a Total Transfer Condition (as defined in Article 13) and shall not be revocable.

11.5. The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted under these Articles if it is a transfer:-

11.5.1. of a share on which the Company has a lien;

11.5.2. of a share (not being a fully paid share) to a person of whom they shall not approve;

and shall in any event refuse to register the transfer of a share which is prohibited by any Relevant Agreement. The first sentence of regulation 24 shall not apply.

11.6. If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the directors.

- 11.7. The election by the Representatives of a member to become the registered holders of any share pursuant to regulation 30 shall be permitted by the directors and shall not give rise to any obligation to serve a transfer notice in respect of such share. Regulation 30 shall be modified accordingly.

12. **PERMITTED TRANSFERS**

- 12.1. For the purposes of this Article:

12.1.1. "privileged relation" in relation to a member means the spouse (or widow or widower) of the member and the member's lineal descendants and for the purposes aforesaid a step-child or adopted child or illegitimate child of any member shall be deemed to be a lineal descendant of such member;

12.1.2. "family trust" in relation to a member being an individual or a deceased member means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of:

(a) that member and/or a privileged relation of that member;
or

(b) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such member or his privileged relations;

12.2. A member holding A Shares being an individual (not being in relation to the shares in question a holder thereof as a trustee of a family trust) may at any time transfer all or any shares held by him:

12.2.1. to a privileged relation; or

12.2.2. to trustees to be held upon a family trust of such member

12.3. Where shares are held by trustees upon a family trust:

12.3.1. such shares may on any change of trustees be transferred to the new trustees of that family trust;

12.3.2. such shares may at any time be transferred to any person to whom under Article 12.2 the same could have been transferred by the settlor if he had remained the holder thereof; and

12.3.3. if and whenever any such shares cease to be held upon a family trust (otherwise than in consequence of a transfer authorised by Article 12.3.2) or there cease to be any beneficiaries of that family trust other than a charity or charities the trustees shall be deemed immediately to have given a transfer notice in respect of all their relevant shares

12.3.4. for the purposes of this paragraph the expression "relevant shares" means and includes (so far as the same remain for the time being held by the trustees) the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

12.4. A member may at any time transfer all or any of his shares:

12.4.1. to any other member holding A Shares; or

- 12.4.2. in the case of a member being a nominee, to the person who is the beneficial owner or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with this Article provided that the provisions of this paragraph shall not apply in circumstances where the beneficial ownership of the share in question became vested in the beneficial owner in contravention of any of the provisions of these Articles or any Relevant Agreement];
- 12.4.3. to any person with the prior written consent of all the other members.
- 12.5. The Representatives of a member may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder would be permitted to transfer the same under these Articles.
- 12.6. If the Representatives of a member are permitted under these Articles to become registered as the holders of any of such member's shares and elect so to do then such shares may at any time be transferred by those Representatives to any person to whom under this Article the same could have been transferred by such member if he had remained the holder thereof, but no other transfer of such shares by the Representatives shall be permitted under this Article.
- 12.7. Unless all the members otherwise consent in writing, no transfer of any share permitted by this Article 12 shall be made during the active period of transfer notice or deemed transfer notice in respect of such share (and for this purpose "active period" in respect of a given notice means the period from the time of its service until the time when no member has any further rights or obligations, directly or indirectly, pursuant to that notice).

13. PRE-EMPTION RIGHTS

- 13.1. Except for a transfer of shares which is permitted under these Articles as mentioned in Article 11.1, before transferring or agreeing to transfer any

share any member proposing to transfer the same ("the proposing transferor") shall be obliged to give notice in writing ("transfer notice") to the directors that the proposing transferor desires to transfer such share. In the transfer notice the proposing transferor shall specify:

- 13.1.1. the number and class of shares which the proposing transferor wishes to transfer ("the Transfer Shares") (which may be all or part only of the shares then held by the proposing transferor);
- 13.1.2. whether or not the proposing transferor has received an offer from a third party for the Transfer Shares and if so the identity of such third party and the price offered for the Transfer Shares.

A transfer notice shall also state whether the proposing transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. The transfer notice shall constitute the Company (by its board of directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Save as expressly provided otherwise in these Articles or in any Relevant Agreement a transfer notice shall be revocable at any time until the expiration of the Withdrawal Period (as hereinafter defined). If a proposing transferor revokes a transfer notice he may not subsequently transfer the shares the subject of the transfer notice (or any interest therein) otherwise than in accordance with these Articles and any Relevant Agreement.

- 13.2. Where a transfer notice is given in respect of more than one class of share it shall be deemed for the purposes of this Article to comprise a number of separate transfer notices, one in respect of each such class. However, where the proposing transferor simultaneously serves transfer notices in respect of more than one class of shares he may stipulate in such notices

by reference to this Article that any Total Transfer Condition shall apply to all of such shares and not merely to one class only.

- 13.3. Within 14 days after the receipt of any transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice on all the members (including the proposing transferor) notifying them that the same has been deemed to have been given, within 3 months after:

13.3.1. the date of the event giving rise to the deemed transfer notice or

13.3.2. (if later) the date on which the directors (as a whole) actually become aware of such event.

- 13.4. Subject as provided otherwise in these Articles or in any Relevant Agreement the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ("the Transfer Price") determined in accordance with Article 13.5.

- 13.5. The Transfer Price shall be such price as shall be agreed in writing between the proposing transferor and the directors or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 30 days after the service of notices pursuant to Article 10.3 the Transfer Price will be determined by an independent Chartered Accountant of not less than 5 years' standing ("the Expert") who shall be nominated by agreement between all the members or failing such nomination within 14 days after the request of any member to the others therefor nominated at the request of any member by the President for the time being of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding.

- 13.6. The Expert will certify the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases:

- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;
- (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (iii) that the transfer Shares are capable of being transferred without restriction
- (iv) taking full account of the rights and restrictions attached to the Transfer Shares including whether the Transfer Shares do or not (taken as a whole) confer any right of control of the Company

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

- 13.7. The Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid divided by the number of Transfer Shares. The Company will use its best endeavours to procure that the Expert determines the transfer Price within 21 days of being requested so to do.
- 13.8. If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ("the Determination Date") shall be the date upon which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between the proposing transferor and the directors as aforesaid then the Determination Date shall be the date on which such agreement is made.
- 13.9. Where the Expert has determined the Transfer Price as aforesaid the proposing transferor shall be entitled if the Transfer Price is not acceptable to him (save as otherwise provided in these Articles or in any Relevant Agreement) to revoke the transfer notice by giving notice in

writing to the directors that he does so within a period of 14 days after the Determination Date ("the Withdrawal Period").

- 13.10. The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless:

13.10.1. the proposing transferor shall revoke the Transfer Notice pursuant to Article 13.9; or

13.10.2. none of the Transfer Shares are purchased by the members pursuant to Articles 13.11, 13.12 or 13.14

in either of which events the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the Company may pay such sum in his stead and any payment made in doing so shall be recoverable from the defaulter as a debt payable on demand.

- 13.11. Within 14 days after the Determination Date or, if the transfer notice is capable of being revoked, within 14 days after the expiry of the Withdrawal Period the Transfer Shares shall be offered for purchase at the Transfer Price by the directors in the first instance to those members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than the proposing transferor and any member to whom under Article 14 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares; (b) the number of Transfer Shares offered to the member ("Pro Rata Entitlement"); (c) whether or not the Transfer Notice contained a Total Transfer Condition, and (d) a period (being not less than 14 days and not more than 21 days) within which the

offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase. Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

13.11.1. to each member who has agreed to purchase shares, his Pro Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;

13.11.2. if any member has applied for less than his Pro Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this sub-paragraph (b) without taking account of any member whose application has already been satisfied in full.

13.12. If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.

13.13. If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of the fact to all the members, whereupon the holders of at least three-quarters in nominal value of the issued shares of the Company (excluding the shares held by the proposing transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether

or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares accordingly); provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article or perform or discharge any of his other obligations hereunder the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform and discharge all such other obligations.

13.14. If the transfer notice in question contained a Total Transfer Condition then no offer of Transfer Shares made by the directors pursuant to this Article shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the members (or any of them) or any person or persons nominated pursuant to Article 13.13. If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the members or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this Article. The proposing transferor may within a period of 3 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate), any net dividend or other distribution declared, paid or made after the date of the transfer notice in respect of the Transfer Shares and which has been or is to be retained by the proposing transferor).

13.15. If by the foregoing procedure, the directors shall receive acceptances (or nominations) in respect of all of the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the member or members who have agreed to purchase

the same (or to the person or persons nominated pursuant to Article 13.13) (“purchaser” or “purchasers”) and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the directors therefor none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors.

13.16. If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of part only of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of the fact to the proposing transferor and the proposing transferor:

13.16.1. shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser those Transfer Shares accepted by him and the provisions of Article 13.15 shall apply *mutatis mutandis* thereto;

13.16.2. may within a period of 3 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution declared, paid or made after the date of the transfer notice in respect of such Transfer Shares and which has been or is to be retained by the proposing transferor).

13.17. If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost share certificates) to the Company. The Company shall not be bound to earn or pay interest on any money so held. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

13.18. The directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to either Article 13.14 or Article 13.16.2 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.

13.19. If members holding at least 70% in nominal value of the issued A Shares in the capital of the Company ("the accepting members") wish to accept an offer from an unconnected third party ("the offeror") for all (or a part only which would give the offeror control of a Controlling Interest of the shares held by it then the accepting members shall procure that an offer at the same price as per share is made to the other members holding A Shares and/or B Shares (as the case may be) and may by notice in writing

to them require them to accept the offeror's offer and the other members holding A Shares and/or B Shares (as the case may be) shall thereupon become bound to accept the offer and to transfer their shares to the offeror (or his nominee) with full title guarantee on the date specified by the accepting members provided always that the members holding B Shares shall be entitled to receive only such sums in consideration of their shares as are set out in Article 9.1

13.20. In the event that the other members holding A Shares and/or B Shares (as the case may be) fail within five business days to accept such offer or having accepted such offer fail to execute and deliver any documents required to effect any transfer of shares pursuant thereto then the other members shall be deemed to have appointed the directors to be their agent and attorney for the purpose of accepting such offer and/or as the case may be executing and delivery any such documents.

13.21. In this paragraph a "Relevant Event" means:-

13.21.1. in relation to a member being an individual:-

- (a) such member being adjudicated bankrupt; or
- (b) the happening of any such event as is referred to in paragraph (c) of regulation 81; or
- (c) such member ceasing to be connected with the Company (otherwise than by reason of death or unfair or wrongful dismissal); and for these purposes an individual shall be treated as connected with the Company if but only if and so long as he is a director or employee of the Company or of any subsidiary of the Company

13.21.2. a member making any voluntary arrangement or composition with his creditors generally;

13.22. Upon the happening of any Relevant Event (Save in circumstances to which Article 15 applies) the member in question (which expression for

the purposes of this paragraph shall be deemed to include a member who has acquired shares from a former member as aforesaid (whether directly or by a series of transfers pursuant to Article 11 or Article 12)) shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member.

- 13.23. If an individual, being a person who has transferred shares pursuant to Article 11.2, dies or is adjudicated bankrupt or ceases to be connected with the Company (as defined in Article 13.21.1(c) the directors shall be entitled (but not obliged) to resolve that any member who has acquired shares from that person pursuant to Articles 12.2 or 12.3 (whether directly or by a series of transfers) shall be deemed to have given a transfer notice in respect of all the shares as shall then be registered in the name of such member. Any such resolution, to be effective for the purpose, must be passed within 3 months after (i) the date of the event in question or (ii) (if later) the date on which the directors (as a whole) actually become aware of such event, but for the purposes of Article 13.3 the directors shall serve the notice therein specified within 7 days of the passing of their resolution.
- 13.24. If the Relevant Event shall be the bankruptcy of a member or the directors resolve that a transfer notice shall be deemed to be served pursuant to Article 13.23 by reason of the bankruptcy of a person and if any of the shares which are offered to the members pursuant to the deemed transfer notice shall not be sold to the members (or any of them) or any person or persons nominated pursuant to Article 13.13 then, after the expiration of the period during which the unsold shares might have been purchased by a member or members (or person or persons nominated as aforesaid) pursuant thereto, the Representatives of the member in question shall be entitled to elect at any time before the shares are disposed of by them to be registered themselves as the holders of the unsold shares (but so that such election shall not give rise to any obligation to serve a transfer notice in respect of the unsold shares).

- 13.25. An obligation to transfer a share under the provisions of this Article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
- 13.26. The provisions of this Article 13 may be waived in whole or in part in any particular case with the prior written consent of members holding at least 80% or more in nominal value of the Ordinary Shares in issue for the time being.
- 13.27. If, under any of the provisions of this Article, any members become jointly and severally liable to complete the purchase of any Transfer Shares in place of any nominated purchaser then as between such members each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such member at the date of the relevant nomination bore to the total number of shares then held by all such members.

14. PROHIBITED TRANSFERS

Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

15. GOOD LEAVER/BAD LEAVER

- 15.1. If an employee or director of the Company or any of its subsidiary undertakings ("relevant individual") ceases for any reason (including death or bankruptcy) to be an employee or director of the Company or any of its subsidiary undertakings and is not continuing as either a director or employee of the Company and the relevant individual is a member holding B Shares (whether solely or jointly with any other person) then:
- 15.1.1. the directors may, at any time within three months after the date on which the relevant individual ceases to be a director or employee, ("Cessation Date") determine in their absolute discretion that there shall be deemed to have been served a

Transfer Notice by any of the members holding B Shares referred to in this article (or their Representatives) ("Compulsory Vendors") in respect of all their shares in the Company (however acquired) as the directors may decide. Such shares shall be offered first to the Company but if the directors shall not receive acceptances from the Company in respect of all of such shares they shall then be offered to the members holding A Shares but if the directors shall not receive acceptances from the members holding A Shares in respect of all of such shares they shall then be offered to the other members holding B Shares in accordance with the provisions of article 13 which shall apply mutatis mutandis except to the extent that they are varied by the following provisions of this article 15.

- 15.1.2. A Transfer Notice shall be deemed to have been given under this article 14 on the date of notification by the directors to the Compulsory Vendors of this determination that a Transfer Notice is deemed to have been given ("Deemed Notice Date")
- 15.1.3. The price for such shares shall be determined at the absolute discretion of the directors as the lower of the nominal value or market value of such shares determined in accordance with Article 13.5 save that where the relevant individual holding B Shares ceases within 2 years of the adoption of these Articles to be an employee or director of the Company or any of its subsidiary undertakings (and is not continuing as such) in the absence of any material breach of his/her service contract or any misconduct on his/her part then the price for such shares shall be their market value as determined in accordance with Article 13.5

16. VOTING AND PROCEEDINGS AT GENERAL MEETINGS

- 16.1. Shares in the Company shall carry votes as follows:

A Shares one vote per share

B Shares non-voting

- 16.2. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two members entitled to vote upon the business to be transacted present in person or by proxy shall be a quorum.
- 16.3. If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the members may agree in writing). If at any adjourned meeting such a quorum is not present within half an hour from the time appointed for the adjourned meeting any two members present in person or by proxy shall be a quorum. Regulation 41 shall not apply.
- 16.4. Members holding B shares shall not be entitled by reason of their holding such shares to receive notice of, attend or vote at any general meeting of the Company and regulations 38 and 54 shall be read and construed accordingly.
- 16.5. At any general meeting a poll may be demanded by any member present or in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.
- 16.6. The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.
- 16.7. An instrument appointing a proxy (and, where it is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the

notice convening the meeting (or, if no place is so specified, at the registered office) at least one hour before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise then at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the Secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll. An instrument of proxy shall not be treated as valid until such delivery shall have been effected. Regulation 62 shall not apply.

- 16.8. Except with the prior written agreement of all the other members, no member who has agreed to cast any of the voting rights exercisable in respect of any of the shares held by him in accordance with the directions, or subject to the consent of, any other person (including another member) shall be entitled during the relevant period (as hereinafter defined) to exercise any of the voting rights attached to any of the shares registered in his name from time to time or to be present or reckoned in a quorum at any general meeting and any resolution passed at any such meeting during the relevant period which would not have been passed but for the vote(s) of such member cast in contravention of the provisions of this paragraph shall be null and void and of no effect.

For the purposes of this paragraph:

- (a) "relevant period" means the period from, and including, the date on which the member in question first agreed to cast the said voting rights in accordance with the directions, or subject to the consent of, the other person up to, and including, the date on which the transaction or arrangement which gave rise to that agreement is annulled or terminated
- (b) any member who has assigned the beneficial interest in, or created any charge or other security interest over any share to or in favour of any other person shall be deemed, in the absence of clear evidence to the contrary, to have agreed to exercise the voting rights attached to that share in accordance with the directions of that other person

The provisions of this paragraph shall not apply to a share held by trustees upon a family trust (as defined in Article 12) in circumstances where the trustees are acting solely in accordance with the directions of the beneficiaries under such trust.

17. ALTERNATE DIRECTORS

- 17.1. Any director (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. The same person may be appointed as the alternate director of more than one director.
- 17.2. The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director.
- 17.3. An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

17.4. An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

17.5. Regulations 65 to 69 shall not apply.

18. DELEGATION OF DIRECTORS' POWERS

The holder or holders of a majority in nominal value of the entire issued share capital may at any time and from time to time revoke all or any of the powers delegated to a managing director or other executive director pursuant to regulation 72 by notice in writing. Regulation 72 shall be modified accordingly.

19. APPOINTMENT AND RETIREMENT OF DIRECTORS

19.1. Regulation 64 in Table A shall not apply to the Company.

19.2. The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the directors generally, and regulation 89 in Table A shall be modified accordingly.

19.3. The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.

19.4. No person shall be appointed a director at any general meeting unless either:-

- 19.4.1. he is recommended by the directors; or
- 19.4.2. not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice signed by a member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.
- 19.5. Subject to article 19.4 above, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 19.6. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with article 19.2 above as the maximum number of directors and for the time being in force.
- 19.7. In any case where as the result of death or deaths the Company has no members and no directors the Representatives of the last member holding A Shares to have died shall have the right by notice in writing to appoint a person to be a director of the Company and such appointment shall be as effective as if made by the Company in general meeting pursuant to article 19.5 above. For the purpose of this article, where two or more members die in circumstances rendering it uncertain which of them survived the other or others, the members shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder.
- 19.8. No person shall be disqualified from becoming or remaining a director by reason of his attaining or having attained the age of 70 or any other age.

20. DISQUALIFICATION AND REMOVAL OF DIRECTORS

Regulation 81 shall be modified by deleting paragraph (e) thereof.

21. PENSIONS

The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply.

22. PROCEEDINGS OF DIRECTORS

22.1. All or any of the members of the board of directors or any committee of the board may participate in a meeting of the board or that committee by means of conference telephones or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

22.2. A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall

come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof regulations 94 to 97 shall not apply.

23. BORROWING POWERS

The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company, or of any third party.

24. NOTICES

A notice sent by post shall be deemed to be given at the time when the same was posted. The last sentence of regulation 115 shall not apply.

25. INDEMNITY AND INSURANCE

25.1. Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 shall not apply.

25.2. The Company may purchase and maintain any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

26. COMPANY SEAL

26.1. The Company need not have a company seal and pursuant to Section 36A of the Act may execute and deliver any document as a deed under the signature of any two directors or of one director and the secretary. A certificate in respect of any shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid.

27. REPRESENTATIVES

27.1. These Articles shall be binding upon and (except as otherwise provided herein) shall enure for the benefit of each member's Representatives.